GOVERNMENT OF INDIA
DISINVESTMENT
LOK SABHA

UNSTARRED QUESTION NO:5918
ANSWERED ON:31.08.2001
BIDDING PROCESS IN AIR INDIA
AJAY CHAKRABORTY

Will the Minister of DISINVESTMENT be pleased to state:

(a) whether some of the conditions incorporated in the draft shareholder`s Agreement and share purchase Agreement were the important reasons for lack of interest of foreign airlines, in continuing with their participation in the bidding process;

(b) if so, whether the Government assures that no substantive changes or dilution will be made to the provisions of these agreements at the instance of selected strategic partners for the disinvestment of Air India; and

(c) if so, the details thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE DEPARTMENT OF DISINVESTMENT, MINISTER OF STATE MINISTRIES OF PLANNING, STATISTICS & PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE DEPARTMENT OF ADMINISTRATIVE REFORMS AND PUBLIC GRIEVANCES (SHRI ARUN SHOURIE)

(a) No, Sir. The parties who withdrew from the bidding process did so for their own internal reasons and they did not mention the conditions of the draft shareholders` agreement and share purchase agreement as the reasons for their withdrawal.

(b) & (c) Do not arise in view of reply to (a) above.